



*United States Attorney
Southern District of New York*

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**LAWYER CONVICTED OF INSURANCE FRAUD AND WITNESS
TAMPERING AS PART OF SCHEME WITH DOCTOR AND 4 OTHERS**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced today that SOLOMON KAPLAN, a lawyer, was convicted in Manhattan federal court on charges relating to his participation in a scheme to submit fraudulent claims to insurance companies based upon false injuries from staged and real automobile accidents. KAPLAN was also convicted of tampering with a witness in connection with the Government's investigation of this insurance fraud scheme and of making false statements to the FBI following his arrest.

Three other defendants. DR. JOSEF SHERMAN, YEVGENY SHERMAN, and GENNADY MEDVEDOVSKY, previously pled guilty to participating in this scheme.

The evidence at trial, which resulted in the conviction Monday, showed that Dr. JOSEF SHERMAN, a medical doctor and YEVGENY SHERMAN, who are brothers, operated a medical clinic located at 2327 83rd Street, in Brooklyn, which regularly falsified medical

records and over-billed insurance companies for patients who had either participated in staged automobile accidents or been in legitimate automobile accidents but were not really injured. The evidence showed that participants in the staged accidents were each paid as much as \$1,000 to \$2,000.

The evidence at trial also showed that KAPLAN was the attorney of record from October 2001 through March 2002 for a law firm that was owned and controlled by the SHERMAN brothers, and MEDVEDOVSKY, located at 2562 86th Street, in Brooklyn. The firm, first with another attorney who testified as a cooperating witness at trial and later with KAPLAN, brought fraudulent personal injury claims against insurance companies based on cases received from the SHERMAN brothers' medical clinic, as well as numerous other medical clinics around the city. The law firm ensured that its clients were prepped to deceive the insurance company investigators about their injuries.

The evidence at trial also showed that the SHERMAN brothers, MEDVEDOVSKY, and KAPLAN all conspired to obstruct justice by threatening and attempting to influence the testimony and cooperation of the attorney who formerly worked for them, and is now a cooperating witness.

United States District Judge DEBORAH A. BATTS scheduled August 20, 2004, for sentencing of KAPLAN who faces 20 years in jail on the mail fraud charge, 10 years on each of the health care fraud

and witness tampering counts, five years on each of 2 false statement counts, and 5 years on the conspiracy charge. In addition, each of the seven counts carry a maximum fine of the greater of a \$250,000 fine or twice the gross gain or loss resulting from the charges.

Mr. KELLEY praised the efforts of the FBI, and the cooperation of the National Insurance Crime Bureau, State Farm Insurance, Travelers' Insurance, and Liberty Mutual Insurance Company.

Assistant United States Attorneys MIRIAM E. ROCAH and TIMOTHY J. TREANOR are in charge of the prosecution.

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